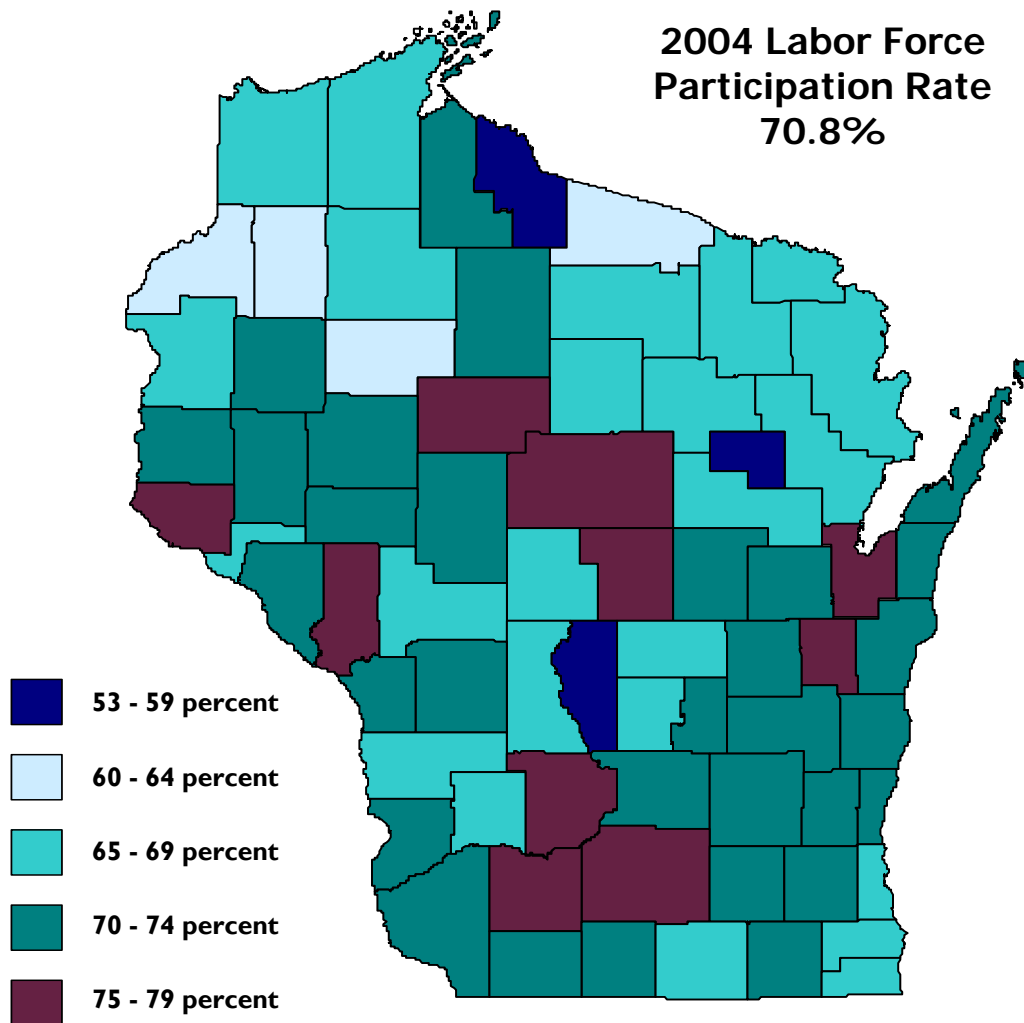


Wisconsin Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

Regional contact:
Eric Grosso
Office of Economic Advisor
221 E. Washington Av. Room A400
Madison, WI 53707
608.266.7034
Eric.Grosso@dwd.state.wi.us



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

December 2005

OEA-10655-P

State Population and Labor Force

***Note:** The Midwest Region used for comparison in this profile is aggregate data consisting of the states: Illinois, Iowa, Michigan and Minnesota. The population figures among these regional states were only consistent as of July 2004 -differing from the more current figures used comparing Wisconsin and its largest municipalities on this page.

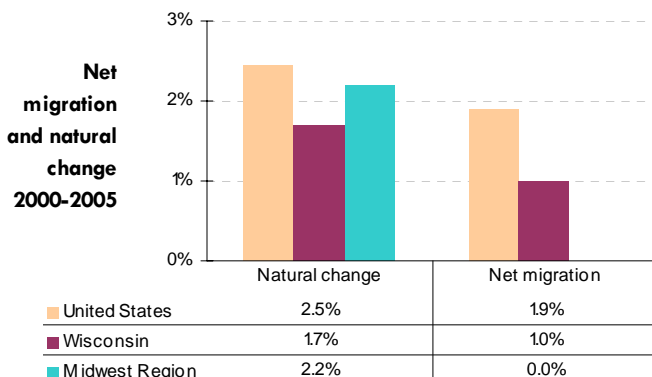
Wisconsin's population has grown by 145,000 residents from 2000-2004 for a growth rate of 2.7 percent; one that was substantially slower than the nation's, though a bit faster than the Midwest Region. Wisconsin's growth was more balanced between natural change (births exceeding deaths) and net migration (in-migrants outnumbering out-migrants) than the Midwest Region. Nearly all of the region's net growth was from natural changes since there was only minute net out-migration mostly in the largely populated states of Illinois and Michigan. In terms of domestic net migration, Wisconsin was the only upper Midwest state to post a net gain. Net international migration added another 39,000 to the state's population between 2000-2004. Wisconsin's growth rate among these upper Midwest states ranked second behind Minnesota's 3.7 percent. Iowa's growth rate was the slowest at one percent.

The municipal population estimates are a mixed bag of growth. Milwaukee, the largest city in Wisconsin, continues to lose population to its suburbs, while the state's second largest city, Madison, has had the state's largest population growth. The fastest growing Wisconsin counties are in the central portions of the state and along the borders of Illinois and Minnesota. St. Croix County has grown the fastest of

Five largest municipalities in Wisconsin County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Wisconsin	5,363,715	5,580,757	217,042	4.0%
Milwaukee	596,974	592,765	-4,209	-0.7%
Madison	208,054	221,735	13,681	6.6%
Green Bay	102,767	104,070	1,303	1.3%
Kenosha	90,352	93,785	3,433	3.8%
Racine	81,855	80,500	-1,355	-1.7%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Midwest Region	Wisconsin
Total population in 2000	281,424,602	30,204,001	5,363,715
Population est. July 1, 2004	293,655,404	30,881,663	5,509,026
Change	12,230,802	677,662	145,311
% change	4.3%	2.2%	2.7%
2004 Population 16 yrs. & over	228,621,674	24,070,429	4,362,246
16-24 yrs old	37,489,370	3,985,409	736,107
Share of population 16+ yrs	16.4%	16.6%	16.9%
25-59 yrs old	142,248,896	14,962,844	2,674,292
Share of population 16+ yrs	62.2%	62.2%	61.3%
60 yrs and older	48,883,408	5,122,176	951,847
Share of population 16+ yrs	21.4%	21.3%	21.8%
Projected population: 2020	335,804,546	32,853,978	6,004,954
Population 16 yrs. & over	264,085,104	25,829,612	4,781,036
16-24 yrs old	37,918,865	3,680,643	630,049
Share of population 16+ yrs	14.4%	14.2%	13.2%
25-59 yrs old	150,678,402	14,994,409	2,731,155
Share of population 16+ yrs	57.1%	58.1%	57.1%
60 yrs and older	75,487,837	7,154,560	1,419,832
Share of population 16+ yrs	28.6%	27.7%	29.7%

Source: U.S Census, December 2005. Estimates are not comparable to those published in county profiles due to different estimate/projections series

the state's 72 counties, almost 18 percent in four years. The next fastest growing was Adams County at close to ten percent growth between 2000-2004.

The table above examines the changing age composition within the state's labor force aged population (those ages 16 and older). Like the Midwest and nation, Wisconsin's population is aging rapidly meaning a larger share of its residents will no longer be participating in the workforce. For example, the number of those aged 60 and older will increase from its current ratio of about one in every five residents aged 16 years and older to almost one in every three by year 2020. This is important to note because labor force participation, while very high in Wisconsin, drops precipitously after age 60 due to retirement.

The projections show slower growth in the younger population, especially those in their prime working years; ages 25-59. This brings about two crucial issues in terms of labor availability. 1) There could be a lack of sufficiently skilled and experienced replacement workers to fill the jobs of retirees. And 2) The aging population will intrinsically reshape the labor market via changing demand for its services and goods. The projected phenomenal growth of the healthcare industry is the best example of these issues. Growth in the healthcare industry is highly correlated with an aging population's increased demand for its services and the repercussions of an already severe shortage among healthcare workers will only intensify as the current workforce retires over the next two decades.

Revised Labor Force

Wisconsin's unemployment rates, back to 1990, were revised in 2005 to account for changes in population controls discovered in the most recent census. The revisions were not grossly different from the original figures on a statewide basis, though a handful of the less populated counties did show some differences.

The 5.6 percent rate measured in 2003 was the state's highest over this 15-year period, though it was not the highest in the state's history as double-digit rates were measured in the 1980s. The jump in the unemployment rate over the last four years is exacerbated by the fact that it was preceded by record-low unemployment rates in the latter half of the 1990s. For example, Dane and Ozaukee counties measured some monthly rates in the one percent range during these years.

As of 2004, the number of unemployed residents has moderated. The sluggish employment recovery that followed the 2001 recession did not cease until about half way through 2004 when job growth became much stronger. This current recovery's foundation is stronger in some regions than others. The national recession did not affect the labor force significantly in some parts of the state relative to others.

Wisconsin Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed %
1990	2,598,898	2,486,129	112,769	4.3
1991	2,640,141	2,499,353	140,788	5.3
1992	2,695,116	2,556,294	138,822	5.2
1993	2,752,773	2,628,814	123,959	4.5
1994	2,835,174	2,713,392	121,782	4.3
1995	2,881,250	2,773,640	107,610	3.7
1996	2,921,029	2,815,599	105,430	3.6
1997	2,958,858	2,855,830	103,028	3.5
1998	2,967,066	2,869,982	97,084	3.3
1999	2,970,026	2,879,024	91,002	3.1
2000	2,992,250	2,891,238	101,012	3.4
2001	3,032,130	2,898,949	133,181	4.4
2002	3,037,928	2,877,047	160,881	5.3
2003	3,068,739	2,896,670	172,069	5.6
2004	3,071,179	2,919,201	151,978	4.9

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

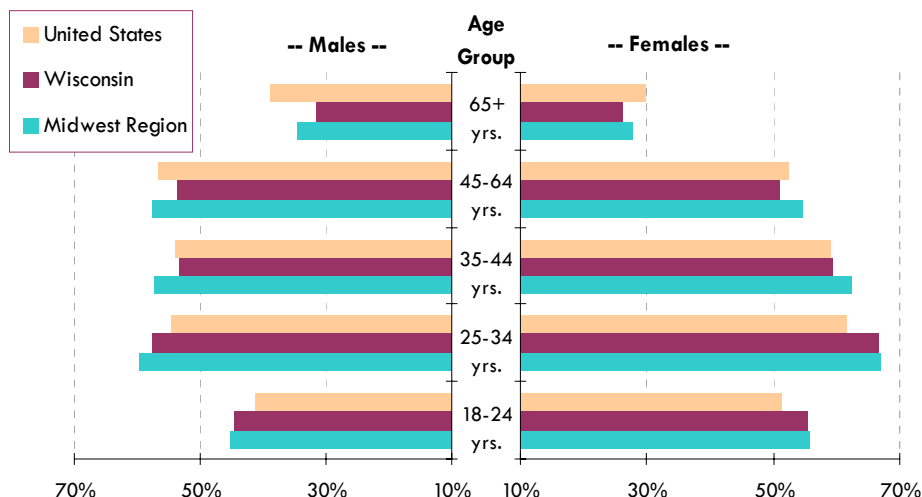
This section outlines the percentage of adults who have pursued post-secondary educational attainment. These figures represent both degree completion as well as incomplete pursuit of formal education after high school.

Generally speaking, the rate of all post-secondary educational attainment (50.5% of all adults aged 25 years and older have attempted/attained post-high school education) in Wis-

consin is slightly lower than the national average and from a regional perspective, it ranks ahead of only Iowa. From a more specific standpoint, Wisconsin's highest national ranking is in its population with an associate degree (7.5%). Its lowest national ranking is 36th for its percentage of those with a graduate or professional degree (7.2%).

The graph in this section shows that educational pursuit by Wisconsin's younger population exceeds national averages, whereas pursuit by its total adult population does not. Female educational pursuit has outpaced that of males for decades, but the gender disparity has been particularly wide in the youngest age cohorts. Generally, male educational attainment exceeds that of females in the elder cohorts. Currently, females compose a larger share of students on the state's campuses and in its classrooms because more economically feasible career choices for women require some formal, post-secondary education or certification. Such educational disparity between genders is not unique to Wisconsin as the Midwest region and nation demonstrate the same pattern.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

The table to the right outlines the average, annual pay of the state's major industry sectors. The wages earned by Wisconsin's workers, overall, are below both the national and regional averages. On a relative basis, construction is the state's highest paying industry and the information sector is its lowest paying. The wages for education and health services employment were virtually the same as national and regional averages.

The main reason for Wisconsin's relatively lower wages is due to its occupational composition within these industries. Occupation for occupation, the state's median hourly wage differentials are not so different than the national figures. In fact, many of Wisconsin's broad occupational groups pay similarly to, if not higher than, the national pay for these groups. But the state's overall occupational composition is what establishes Wisconsin's relatively lower wages. The state is underrepresented in high-pay occupations and overrepresented in low-pay occupations and one can see this throughout various industrial segments. For example, production occupations, which pay relatively higher wages in Wisconsin than nationally, are a greater than average share of Wisconsin's workforce, while a smaller than average share of the

Average Annual Wage by Industry Division in 2004

	States	Average Annual Wage Midwest Region	Wisconsin	Percent of U.S.	Percent of Region
All Industries	\$ 39,282	\$ 40,939	\$ 34,749	88.5%	84.9%
Natural resources	\$ 36,098	\$ 31,094	\$ 27,399	75.9%	88.1%
Construction	\$ 40,446	\$ 46,275	\$ 41,258	102.0%	89.2%
Manufacturing	\$ 47,905	\$ 50,702	\$ 44,145	92.2%	87.1%
Trade, Transportation, Utilities	\$ 35,026	\$ 35,622	\$ 30,088	85.9%	84.5%
Information	\$ 59,243	\$ 51,481	\$ 41,759	70.5%	81.1%
Financial activities	\$ 61,285	\$ 58,956	\$ 45,103	73.6%	76.5%
Professional & Business Services	\$ 47,426	\$ 50,760	\$ 39,580	83.5%	78.0%
Education & Health	\$ 36,634	\$ 36,858	\$ 36,408	99.4%	98.8%
Leisure & Hospitality	\$ 16,899	\$ 14,939	\$ 12,295	72.8%	82.3%
Other services	\$ 25,259	\$ 26,363	\$ 20,207	80.0%	76.6%
Public Administration	\$ 45,407	\$ 41,959	\$ 36,347	80.0%	86.6%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

workforce is employed in higher-paying technical or managerial occupations.

The geographic distribution of the state's population also plays a role in the lower wages for Wisconsin workers. Metropolitan areas generally have a higher concentration of high-wage jobs compared to non-metropolitan areas and this higher concentration of metro jobs also creates competition for workers, thus pressuring upward wages. Wisconsin, although it has a large number of metropolitan areas, does not have a high concentration of jobs or population in its metro areas. Nationally, 86 percent of all jobs are in metro areas. Regionally, 83 percent of the jobs are in metro areas. In Wisconsin, only 77 percent of the jobs are in metro areas. Wisconsin's higher than average share of jobs in rural and non-metro areas also contributes to the somewhat lower overall wages in Wisconsin. Workers in heavily concentrated metropolitan-based jobs tend to have more bargaining power than do workers in less concentrated rural-based jobs.

Very large "super metro" areas pay significantly higher wages in general; much higher than national averages, too. The Minneapolis/St. Paul MSA, with 1.8 million jobs, and nearly three million residents, and the Chicago, with four million jobs and a population of nine million, are much more dominant in their respective states than is Wisconsin's Milwaukee MSA with 1.5 million residents and 800,000 jobs.

Composition of Total Employment and Median Hourly Wage by Occupation in 2004

Broad Occupational Group	Percent of Total Jobs			2004 Median Hourly Wage	
	United States	Midwest Region	Wisconsin	United States	Wisconsin
Management occupations	4.7%	5.1%	3.9%	\$36.52	\$35.70
Business and financial operations occupations	4.1%	4.5%	3.6%	\$24.52	\$22.85
Computer and mathematical occupations	2.3%	2.1%	1.7%	\$30.50	\$26.70
Architecture and engineering occupations	1.8%	2.1%	1.8%	\$28.56	\$25.89
Life, physical, and social science occupations	0.9%	0.8%	0.9%	\$24.59	\$21.04
Community and social services occupations	1.3%	1.2%	1.2%	\$16.32	\$17.11
Legal occupations	0.8%	0.6%	0.5%	\$30.00	\$30.21
Education, training, and library occupations	6.2%	6.1%	5.5%	\$18.83	\$18.08
Arts, design, entertainment, sports, and media occupations	1.3%	1.2%	1.2%	\$17.50	\$16.05
Healthcare practitioners and technical occupations	5.0%	5.0%	4.9%	\$23.30	\$23.41
Healthcare support occupations	2.6%	2.5%	2.9%	\$10.56	\$11.26
Protective service occupations	2.4%	2.1%	1.7%	\$14.80	\$15.58
Food preparation and serving related occupations	8.2%	7.8%	8.2%	\$7.65	\$7.69
Building and grounds cleaning and maintenance occupations	3.3%	3.2%	3.3%	\$9.39	\$9.70
Personal care and service occupations	2.4%	2.3%	2.6%	\$8.79	\$9.15
Sales and related occupations	10.6%	10.5%	9.7%	\$10.51	\$10.44
Office and administrative support occupations	17.5%	17.0%	16.9%	\$12.96	\$12.80
Farming, fishing, and forestry occupations	0.3%	0.2%	0.2%	\$8.34	\$11.79
Construction and extraction occupations	4.9%	4.3%	4.6%	\$16.51	\$19.03
Installation, maintenance, and repair occupations	4.1%	3.9%	3.8%	\$17.08	\$17.48
Production occupations	7.9%	9.9%	12.5%	\$12.73	\$13.83
Transportation and material moving occupations	7.4%	7.5%	8.3%	\$11.66	\$12.49
All Occupations	100.0%	100.0%	100.0%	\$13.98	\$13.90

Industry and Employers by Size

Top 10 Private and Government Employers in Wisconsin

Establishment	Product or Service	Size (Dec. 2004)
Wal-Mart Associates Inc	Warehouse clubs & supercenters	20,000+ employees
University of Wisconsin-Madison	Colleges & universities	10,000-19,999 employees
Milwaukee Public Schools	Elementary & secondary schools	10,000-19,999 employees
Department Of Corrections	Correctional institutions	5,000-9,999 employees
Menard, Inc.	Home centers	5,000-9,999 employees
City of Milwaukee	Executive & legislative offices, combined	5,000-9,999 employees
Kohler Co	Enameled iron & metal sanitary ware mfg.	5,000-9,999 employees
Kohl's Department Stores Inc	Discount department stores	5,000-9,999 employees
Walgreen Co.	Pharmacies & drug stores	5,000-9,999 employees
Marshfield Clinic	HMO medical centers	5,000-9,999 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Wisconsin County

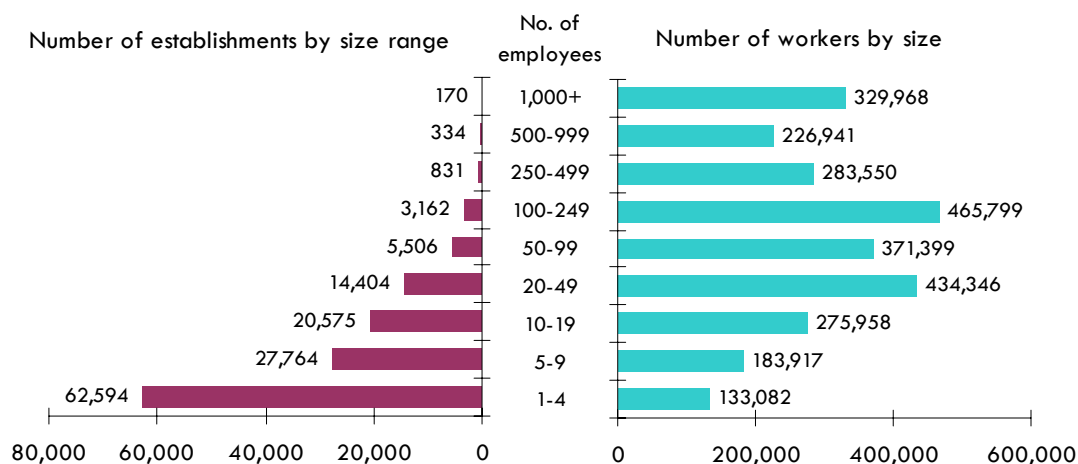
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Educational services	1,260	221,108	1,418	13,676
Food services and drinking places	8,550	181,532	4,514	14,077
Administrative and support services	*	*	*	*
Hospitals	127	113,373	1,048	12,814
Ambulatory health care services	5,673	102,276	3,254	12,974
Professional and technical services	9,382	93,239	1,777	3,187
Executive, legislative, & gen government	1,818	90,275	-870	-2,457
Nursing and residential care facilities	947	75,254	*	4,048
Specialty trade contractors	8,844	73,085	413	-206
Fabricated metal product manufacturing	1,783	71,546	*	-8,735

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Wisconsin establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Wisconsin's largest employers and largest employing industries are an amalgam of private and government ownership; services-providers and goods-producers. Some of largest these employers are bound to a single or few establishments and some of these employers can be throughout most of the state.

Retailers compose the greatest share of the state's top ten employers. Governmental entities, both administrative and educational-focused, make up the next largest portion. One manufacturer and one healthcare provider round out this top list.

The larger employing industries are reflective of its top employers. The top eight industries are services—providing industries and the final two are goods-producers. If all manufacturing industries were combined, their employment would dwarf the most prominent industry in this list with over 500,000 workers. Food manufacturing and machinery manufacturing just missed the cut on this list, but would be in the top 20 employing had this list expanded this far.

Most of the state's establishments employ very few people, though most of the state's workers are employed in establishments with at least 100 or more total workers. The state averages 17 workers per establishment, while the national average is 15 per workplace.

Per Capita Personal Income

Wisconsin's per capita personal income (PCPI) was the nation's 22nd highest at just over \$32,000 in 2004. Among its regional neighbors, Wisconsin ranks behind Minnesota and Illinois, but ahead of Michigan and Iowa. The Midwest region's 2004 PCPI was \$33,730 in 2004 (excluding Wisconsin).

PCPI is defined as total personal income divided by the total population. It is probably the most referenced statistic in gauging the economic health of an area. The majority of total personal income, though not exclusive to this list, is composed of wage and salary earnings, dividends from equities or bonds, accrued interest, rental property income, retirement benefits, social security benefits and other government transfer payments.

Wisconsin's PCPI growth is a product of economics, and indirectly, its demographics. The state's PCPI growth since 1999 was 18.2 percent (not adjusted for inflation), or about the same as the U.S. growth. Wisconsin's growth rate ranked 36th fastest among all states, and regionally, grew faster than Michigan and Illinois. All things being equal, the growth rate average of all states was close to 21 percent, but the real national average was lower because the five-year growth rates in a handful of the country's most populous states: California, Texas, New York, Florida, Illinois, Michigan and Ohio, for example, was in the 14 to 17 percent growth range.

Compared to national income composition, Wisconsin's is comprised slightly more of 1) net earnings and 2) dividends, interest, and rental property income and has a slightly lower share of 3) transfer receipts. Net earnings in Wisconsin accounts for 69.8 percent of total personal income compared to 69.5 percent, nationally. States with slower job growth or significant losses of higher paying employment, like many Midwest states, probably experienced slow personal income growth because of job earnings being the bulk of personal income. But one should also note that some states, for example many western states, with admirable job growth and thus admirable *total* wage growth may not have had the quickest *per capita* income growth because their increase in wage earners may have been outpaced by growth of non-earners such as young children or non-working retirees. The converse of this is also a noteworthy. States exhibiting slower or stagnant job growth and slower population growth may have maintained a stable number of wage earners or those accruing other income, thus

United States 2004 Per Capita Personal Income and Rank in Nation

State	2004	Rank	5-yr. Growth	Rank	State	2004	Rank	5-yr. Growth	Rank
United States	\$33,041		18.3%		Missouri	\$30,516	32	18.8%	31
Alabama	\$27,630	42	21.6%	20	Montana	\$27,666	41	28.2%	3
Alaska	\$34,085	17	21.3%	22	Nebraska	\$32,276	21	22.0%	18
Arizona	\$28,609	39	18.9%	30	Nevada	\$33,783	18	15.8%	46
Arkansas	\$25,724	49	21.7%	19	New Hampshire	\$36,676	7	20.7%	24
California	\$35,172	12	17.9%	37	New Jersey	\$41,636	4	18.2%	35
Colorado	\$36,109	10	18.4%	33	New Mexico	\$26,154	48	24.3%	8
Connecticut	\$45,506	2	18.7%	32	New York	\$38,333	6	16.8%	43
Delaware	\$35,559	11	22.9%	15	North Carolina	\$29,303	37	14.6%	49
District of Columbia	\$52,101	1	40.7%	1	North Dakota	\$29,247	38	26.2%	4
Florida	\$31,460	25	17.0%	41	Ohio	\$31,135	26	15.9%	45
Georgia	\$30,074	33	14.1%	50	Oklahoma	\$27,819	40	23.3%	13
Hawaii	\$32,606	20	20.9%	23	Oregon	\$30,584	31	15.5%	47
Idaho	\$26,839	47	17.8%	38	Pennsylvania	\$33,257	19	19.0%	29
Illinois	\$34,725	14	14.9%	48	Rhode Island	\$34,180	16	24.5%	7
Indiana	\$30,070	34	17.4%	40	South Carolina	\$27,153	44	17.7%	39
Iowa	\$30,970	28	23.3%	12	South Dakota	\$30,617	30	25.1%	5
Kansas	\$31,003	27	18.4%	34	Tennessee	\$29,806	36	19.7%	27
Kentucky	\$27,151	45	19.3%	28	Texas	\$30,697	29	16.9%	42
Louisiana	\$27,219	43	23.6%	11	Utah	\$26,946	46	20.3%	25
Maine	\$29,973	35	22.4%	17	Vermont	\$31,737	24	22.6%	16
Maryland	\$39,629	5	24.6%	6	Virginia	\$36,175	8	23.8%	10
Massachusetts	\$42,102	3	23.0%	14	Washington	\$35,017	13	16.6%	44
Michigan	\$32,052	23	14.1%	51	West Virginia	\$25,681	50	23.9%	9
Minnesota	\$36,173	9	20.2%	26	Wisconsin	\$32,063	22	18.2%	36
Mississippi	\$24,379	51	21.6%	21	Wyoming	\$34,199	15	28.9%	2

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005

maintaining per capita income. Some upper Midwest states best exemplify this phenomenon.

Of the three major personal income components, Wisconsin exceeds the national per capita average in only one category; dividends, interest and rental income (\$5,262 vs. \$5,209 for the U.S.). This component grew slowly in Wisconsin and nationally, two percent and three percent, respectively, from 1999-2004, due to a minor crash in the stock and bond markets, which affected investment portfolios. Falling interest rates throughout most of this period also hampered growth in this income component.

Transfer payments, which are mainly Social Security and Medicare payments, will likely increase as a share of total personal income in the state and nation as a larger portion of residents become eligible for these. In 1960, transfer payments were six percent of Wisconsin's total personal income. In 2004, they jumped to 14 percent of the total. An aging population will increase this share in the coming decades.